AF 8/5/1986 2

U.S. Assistance: Working for Positive Change in South Africa

September 1986

United States Department of State
Bureau of Public Affairs
Washington, D.C.

S1.71/5:

NEWARK PUBLIC LIBRARY

SEP 2 3 1986

U. S. GOVT. PUBS.
DEPOSITORY ITEM

U.S. Assistance: Working for Positive Change in South Africa

Americans are deeply concerned that apartheid end in South Africa. Sharing that concern, the Administration has sought to apply U.S. influence to bring about constructive change in South Africa as rapidly as possible.

Consistent with this effort, Congress and the executive branch have worked together over the past several years to develop U.S. assistance programs to help prepare those disadvantaged by apartheid for leadership roles in a future South Africa governed by the consent of all. The U.S. Government works directly with private voluntary organizations, local groups, and individuals in South Africa in this effort.

The following report provides an overview of both continuing and new U.S.-funded activities and documents the extent and variety of these efforts on behalf of change in South Africa.

READEX MICROFICHE

Under the Foreign Assistance Act of 1961, as amended, and related legislation, the United States is providing:

- Resources for labor union and entrepreneurial training;
- Scholarships to bring students to universities in the United States and in African countries;
- Opportunities for journalists, community leaders, university students, and others to visit the United States for the purpose of professional development;
- Resources to improve education within South Africa;
- Support to legal advice centers and other agencies addressing the needs of victims of apartheid;
- Startup financing for community-based projects that encourage community development and improved economic standing; and
- Aid to South African refugees through international organizations.

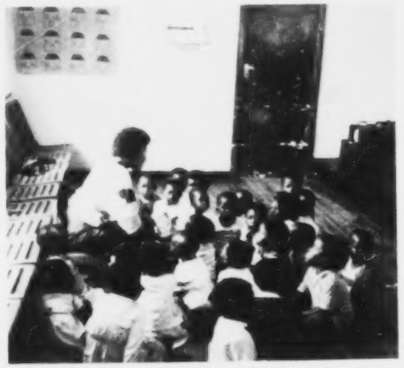
These resources are channeled through a number of public and private entities, including the Agency for International Development (AID), the United States Information Agency (USIA), the African-American Institute, the National Endowment for Democracy, the International Committee of the Red Cross, and the U.S. Department of Commerce.

The Agency for International Development

Over the next 2 years, the Agency for International Development will provide $45 million for U.S. assistance to South Africans. In fiscal year (FY) 1986, AID has allocated $20 million to address needs in the fields of education, labor relations, legal defense, private enterprise, and community development. AID's FY 1986 South Africa program comprises the following:

Continuing Projects

The Training for Disadvantaged South Africans Project finances graduate and undergraduate study at U.S. colleges and universities. About 80–100 new students are selected annually and placed in U.S. univer-



Children gather in one of several Educare centers outside Cape Town that have been constructed and equipped by the grassroots Education Trust.

sities. The project, which began in FY 1982, will continue through FY 1989 at a total cost of $30 million. In FY 1986, AID committed $6 million to this project. AID funds supplement private contributions from U.S. corporations, foundations, universities, and church groups.

The Internal Bursaries Project provides financing for disadvantaged South Africans to attend universities within South Africa. AID is providing $6 million for scholarships in FY 1986. During the project's 5-year life, it is expected that more than 800 students will receive scholarships. This project and others planned for FY 1986 will implement the President's commitment of up to $8 million for scholarships and education programs.

The Human Rights Fund is aimed at promoting political, economic, social, and juridical change in South Africa. In FY 1985 $1 million was obligated and in FY 1986 $1.5 million is allocated for this program.

Labor Union Training. Through a $1.5 million grant to the AFL-CIO's African-American Labor Center, AID is funding programs to train black South African trade unionists. The project helps unions strengthen their collective bargaining skills, organizing efforts, administrative procedures, pension and other benefit schemes, grievance handling, and educational programs in such areas as occupational health and safety.

The Special Self-Help Fund finances small, community-based efforts directed toward increasing the economic and social standing of disadvantaged South Africans.

Vendors sell their goods outside the Cape Town Medical Clinic that has become a center for community self-help activities.

In FY 1986 this program has received an allocation of $275,000. Examples of past self-help projects include:

- Funds to enable a community to build additional school classrooms to remedy overcrowding;
- Funds to establish Educare centers for child care and teacher training;
- Financing for agricultural demonstration projects to encourage improved small-scale production and nutrition awareness in rural areas; and
- Funds to urban community centers to provide for youth activities and leadership development.

New Activities

Community Outreach and Leadership Development. In response to the emergence of grassroots neighborhood development organizations and leaders and to help established organizations expand their operations, AID will begin a Community Outreach and Leadership Development project in FY 1986. It is expected to cost $10 million over a 5-year period with an initial obligation this fiscal year of $2.5 million and $3 million next year. Although only three to four recipients will be funded during the first year, other grantees will be included later.

Alternative and Nonformal Education. AID has proposed a 5-year program of educational support, beginning with $2 million in FY 1986 and $3.5 million in FY 1987. These funds will be used to finance direct grants to South African organizations working to develop preparatory materials to help black students gain entrance to universities in South Africa, to train teachers outside the formal system, to develop supplemental materials to assist students at all levels, and to support community efforts to work with students and teachers outside the classroom in a variety of alternative educational programs.

Black Business Development. Through the Entrepreneurial Training project, AID provides funds to teach entrepreneurial skills to black owners and operators of small businesses. The project is conducted by the National African Federated Chamber of Commerce. Its program includes the development of four regional training centers and an improved curriculum to assist black entrepreneurs. AID has committed $3 million to the project.

Office of U.S. Foreign Disaster Assistance

Crossroads. The fighting that erupted in mid-May 1986 in the Crossroads squatter camp outside Cape Town, South Africa, left nearly 100,000 homeless refugees facing the winter rains and serious shortages of basic necessities.

Acting immediately, the U.S. Government provided disaster relief organizations with $20,000 to purchase blankets, food, tents, and clothing for the victims, and an additional $5,000 was earmarked for Nyanga East Zone Committee, the largest of the community organizations working with refugees. Subsequently, the U.S. Government provided an additional $26,720 to the Student's Health and Welfare Committee, $15,000 for resettlement kits for displaced persons, $141,600 to the South African Red Cross Society, and $40,000 to St. John's Ambulance Company.

Operation Hunger. The U.S. Government signed an agreement in July 1986 to provide $125,000 to Operation Hunger, on a challenge-grant basis. Operation Hunger is a private, nonprofit organization that feeds needy black South Africans, particularly those in isolated rural areas. Under the challenge-grant formula, the U.S. Government, through the Agency for International Development, contributes $1 to Operation Hunger for every $3 the organization raises

from other sources until the U.S. contribution reaches $125,000. An additional $125,000 was provided in August under the same formula.

Since 1984, and not including the present agreement, the U.S. Government has contributed $350,000 to Operation Hunger, most of it under the challenge-grant principle.

In July 1986, staff members of the American Embassy in Pretoria also privately donated the sum of 1,000 rand to Operation Hunger.

U.S. Information Agency

USIA intends to obligate more than $1.7 million in FY 1986 for several exchange programs for South Africans working actively to end apartheid. These programs involve university faculty and students, journalists, labor leaders, and entrepreneurs. Specifically, they consist of:

The International Visitors Program. USIA will sponsor 70 grantees for month-long visits to the United States in FY 1986, each with a specialized program designed to accommodate individual professional interests. Grantees generally are people who have demonstrated leadership in professional and community roles from all areas of South Africa. This fiscal year about $436,000 is allocated for this program.

Fulbright Grants. USIA will fund scholarships for 89 South African students for postgraduate education in the United States beginning in FY 1986; $750,000 has been set aside for these grants.

American Lecturer Program. Tripling its previous effort under this program, USIA will place six to eight American university professors in FY 1986 in South African institutions that welcome disadvantaged students. These professors will spend 2–5 months working in South Africa. U.S. funding is budgeted at $100,000.

The Journalist Training Program invites black South African journalists to the United States for 6 months of training in the theory and practice of American journalism through internships with media organizations. USIA will provide funding for 10 journalists to visit the United States in FY 1986 at an expected cost of $85,870.

Georgetown Law Program. Georgetown University Law Center is offering a 1-year program leading to a Master of Law degree for five black South African law school graduates to begin in July 1986. USIA will contribute $12,000 toward this $34,400 program.

Pretoria Cultural Center. A new American Cultural Center, including a library and an auditorium, is being opened in Pretoria. The center will mount a program of public affairs video showings, lectures, discussions, and cultural events. The library will house some 1,600 books on American subjects, plus a cross-section of American periodicals. Both books and videotapes will be available on loan. A regular student counseling service will provide advice on study opportunities in the United States.

American Participant Program. In FY 1986 a total of 21 speakers will visit South Africa to discuss topics related to U.S. foreign policy, the black experience in America, the U.S. labor movement, freedom

of the press, government-media relations, and other aspects of the U.S. economy and society.

Teacher Upgrading. Up to 25 South African teachers and teacher-trainers who work with disadvantaged South Africans will visit the United States to participate in a skill-building, English-language workshop at a U.S. institution of higher education. The month-long course will be followed by a 2-week professional/cultural tour of the United States. Additionally, five black secondary teachers and trainers will spend a year studying English-teaching methodology at an American university.

OCA Professional Exchange. Between 12–15 South African black professionals will spend 35 days in the United States under programs administered by Operation Crossroads Africa (OCA). These programs are designed to allow exchange of ideas and perspectives with American counterparts working in similar fields.

The National Endowment for Democracy

The National Endowment for Democracy is a private, nonprofit bipartisan organization, begun by the Congress, which works to strengthen democratic institutions throughout the world. A recent congressional resolution that calls for the National Endowment to receive funds for programs promoting democracy and seeking to end apartheid policies in South Africa has prompted consideration of additional U.S. Government monies for this institution. The government already has allocated $17 million for the Endowment in FY 1986. Examples of grants for South Africans in FY 1985 include $25,000 for the South African-based Black Lawyers' Association and $15,000 for Project South Africa, an A. Philip Randolph Foundation project designed to link needs in South Africa with resources in the United States.

The State Department's Bureau for Refugee Programs

Refugee Scholarships Through the African-American Institute and the Phelps Stokes Fund. U.S. funds are made available through the Bureau for Refugee Programs for scholarships to refugees from South Africa and Namibia for undergraduate-level training in the United States and in African countries. The scholarship program, administered by the African-American Institute and the Phelps Stokes Fund, receives on average more than $2 million annually.

International Committee of the Red Cross (ICRC). The ICRC traditionally has received roughly 25% of its Africa budget from the Bureau for Refugee Programs. The ICRC maintains substantial operations in South Africa, budgeted at more than $5 million in 1986. Under its international protection mandate, ICRC delegates visit detained persons and provide basic supplies to needy families of the detained. The ICRC also works with the South Africa Red Cross

Society in assisting people in troubled areas in the country with first aid and first aid training, ambulance services, and human rights seminars. One of the most successful programs has been the training of Red Cross community organizers.

UN High Commissioner for Refugees (UNHCR). The Bureau for Refugee Programs traditionally provides about 30% of the UNHCR Africa budget. In calendar year 1986, the UNHCR has budgeted more than $3 million for programs for South African refugees in Angola, Botswana, Swaziland, Lesotho, Mozambique, Tanzania, Zimbabwe, and Zambia. UNHCR assists these refugees in meeting costs of local integration and education as well a with third-country resettlement.

U.S. Department of Commerce

The Department of Commerce is working to find innovative ways to promote black business development in South Africa. Some of the programs they have already undertaken are described below.

Matchmaker Fair. Guided by the Department of Commerce, the American Chamber of Commerce in South Africa and the Soweto Chamber of Commerce cosponsored "Matchmaker '86," a fair designed to match the goods and services available from black-owned firms with the needs of American and other companies operating in South Africa. Some 83 black South African businesses and 204 foreign executives participated in the fair. Exhibitors reported 1,232 business contacts and signed 24 contracts (valued at $126,411) on the spot. The Department of Commerce is already planning "Matchmaker '87" and other similar fairs throughout South Africa in the coming months.

Business Services Mission. The Department of Commerce and the Department of State have teamed up with U.S. corporations to sponsor an investment mission to South Africa. A group of U.S. entrepreneurs plans to go to South Africa with the specific purpose of creating commercial partnerships with black South African-owned businesses. It is hoped these partnerships will accelerate the development of the South African businesses. U.S. corporations have pledged more than $7,000 to support the investment mission's activities in South Africa.

U.S. Assistance: The Private Sector

Overview. Although U.S. firms employ less than 1% of the total active South African labor force, they are in the vanguard of the entire business community pressing for a nonracial, peaceful, and prosperous postapartheid society. They apply firm and continuing leverage against the apartheid system and serve as a role model for South African and other international businesses with operations there. They strongly urge the government to end injustice, negotiate with legitimate black leaders, and release those detained under the state of emergency.

Despite the recent economic downturn and the tough competition with South African, European, and Japanese firms for the South African market, American companies voluntarily continue to increase their costs to maintain a high level of social performance. Through their participation in many assistance programs, U.S. firms have spent more than $200 million to better the lives of their black employees and others in the black community.

The American Chamber of Commerce in South Africa is a voluntary association of nearly 300 companies in South Africa concerned with U.S. trade, investment, and community service. It works in concert with host country business firms and affiliated individuals and has taken a strong stance in opposing apartheid and pushing for peaceful change. In full-page ads published in leading South African newspapers, the American Chamber of Commerce in South Africa listed measures which firms can adopt to combat individual apartheid laws. It also strongly called out for the South African Government to repeal unjust, discriminatory laws. The American Chamber of Commerce has joined South African businesses in calling for an end to the state of emergency and the release of all detained union leaders.

One of its major projects has been to create and operate Pace Commercial College, a $6-million private commercial high school in Soweto open to children of all races. Its aim is to provide opportunities for students who have been disadvantaged by apartheid to receive a quality education and prepare themselves for either the job market or higher level education.

Sullivan Companies. The bulk of U.S. corporate opposition to apartheid has been channeled through their endorsement and implementation of the Sullivan principles. As of May 1986, 194 U.S. firms had adopted the Sullivan principles, a voluntary set of fair employment practices committing signatories to desegregate all plant facilities, provide equal pay for equal work, develop training programs, promote black employees to higher positions, and improve black living conditions outside the workplace. Most importantly, these firms have signed the Sullivan Fourth Amplificati n which commits the firm to work actively to end apartheid through political actions in South Africa.

Through the Sullivan program, U.S. firms have spent millions of dollars to better the lives of their black employees and the black community by building classrooms, erecting health centers, awarding scholarships, assisting legal defense groups, and helping independent black businessmen. For such purposes they expended more than $25 million in 1985 alone and more than $50 million this year.

South African firms partially owned by U.S. signatory companies have been encouraged to adhere to the Sullivan principles by their American partners. Three South African companies have signed the principles.

U.S. Corporate Council on South Africa. In September 1985 more than 100 major U.S. corporations with subsidiary operations in South Africa formed the U.S. Corporate Council on South Africa. The council encourages dialogue between influential business and government leaders about current South African developments and

works to establish stronger links with senior South African business leaders to promote reform and change in South Africa.

Corporations and Corporate Foundations

U.S. corporations and corporate foundations have made significant contributions toward the development of their black employees and the black community, and they continue to increase their efforts.

Education. The urgent need for upgrading the educational system for black South Africans has been the primary focus of many U.S. firms' assistance programs. Such programs include Adopt-A-School, where U.S. firms provide funding, teaching materials, and additional classroom space for black students; awarding scholarships for primary, secondary, or university-level education; and building new schools in selected black areas.

U.S. corporations also use their influence to press for improvements in the educational system. For example, they joined the Private Schools Association in voicing their strong opposition to draft legislation that would have subsidized private schools on a racial basis. The legislation subsequently was withdrawn.

In a similar situation American firms are engaged in discussions with the Isando Group and the white Johannesburg Teacher Training College for the latter to accept blacks from the Tembisa areas, who are presently without this type of teacher training facility. The white college is currently underutilized.

Housing. U.S. corporations and foundations have programs designed to inform their employees of the benefits of home ownership, how to purchase a home, and cost-effective methods of home improvement. Some firms have donated money to support housing construction projects for their black employees which will be built by black construction firms. Many companies have set up programs to provide low interest home loans to black South Africans and have assisted their black employees to obtain leases for homes in white urban areas.

For example, discussions are ongoing with the Durban City Council to offer nonsegregated housing. An American company is looking at purchasing an apartment block to make housing available to their employees on a nonracial basis.

Legal Assistance. A number of American firms offer legal representation for their employees who are detained under the State of Emergency or have run afoul of discriminatory laws. Companies also work with local assistance organizations and foundations to identify discriminatory laws and work toward their repeal.

As an example, one large American corporation offered to provide legal representation to any employee who was charged with violating a segregated beach ordinance in Port Elizabeth. The resultant publicity focused world attention on this blatant example of petty apartheid. The city council then repealed the ordinance and removed segregation from Port Elizabeth's beaches.

Training. American firms provide a wide range of training programs designed to increase the number of nonwhite South Africans qualified for promotion to managerial, supervisory, or skilled professional jobs. Many corporations assign mentors to their black employees to help them continue their professional development and to prepare them for more senior executive positions.

As an example, one American firm secured admittance for their black employees to a technical training college after threatening to withdraw its white employee students from the school. Another firm appointed three nonwhite employees to the Board of Trustees of its Pension Fund to broaden their exposure and give them more responsibility for making decisions.

Black Business Development. American corporations work to identify and eliminate the bureaucratic red tape which hinders small black businesses. They also actively identify and promote black businesses in order to increase their exposure and potential business contacts. Many firms subcontract to black businesses for goods and services previously provided by white companies and lend their expertise to the black businesses to help them improve their business operations.

Health Care. U.S. corporations are trying to increase the level of health care in the black community. Many participate in the Adopt-A-Clinic program, providing financial support, equipment, maintenance, and advice to medical clinics in their area. They also support mobile health clinics and second medical staff members to community health centers and schools offering courses in health education. In this way, medical treatment is provided where it otherwise might not be available.

For additional information, contact:

The Special Working Group on South
and Southern Africa (SAWG)
Room 3243
Department of State
Washington, D.C. 20520
(202) 647-6545

Public Information Series • Published by the United States Department of State • Bureau of Public Affairs
Office of Public Communication • Editorial Division
Washington, D.C. • Revised September 1986
Editors: Norman F. Howard and Colleen Sussman
This material is in the public domain and may be reproduced without permission; citation of this source is appreciated.

☆U.S. GOVERNMENT PRINTING OFFICE: 1986 - 491 - 783/40028

Bureau of Public Affairs
United States Department of State
Washington, D.C. 20520

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE $300

BULK RATE
POSTAGE & FEES PAID
U.S. Department of State
Permit No. G-130